

SEVENTY-SIXTH

ANNUAL REPORT OF THE BOARD OF DIRECTORS

OF

THE MICHIGAN CENTRAL RAILROAD COMPANY

TO THE STOCKHOLDERS

FOR THE YEAR ENDED

DECEMBER 31, 1921



DETROIT
MICHIGAN

THE MICHIGAN CENTRAL RAILROAD

DECEMBER 31, 1921.

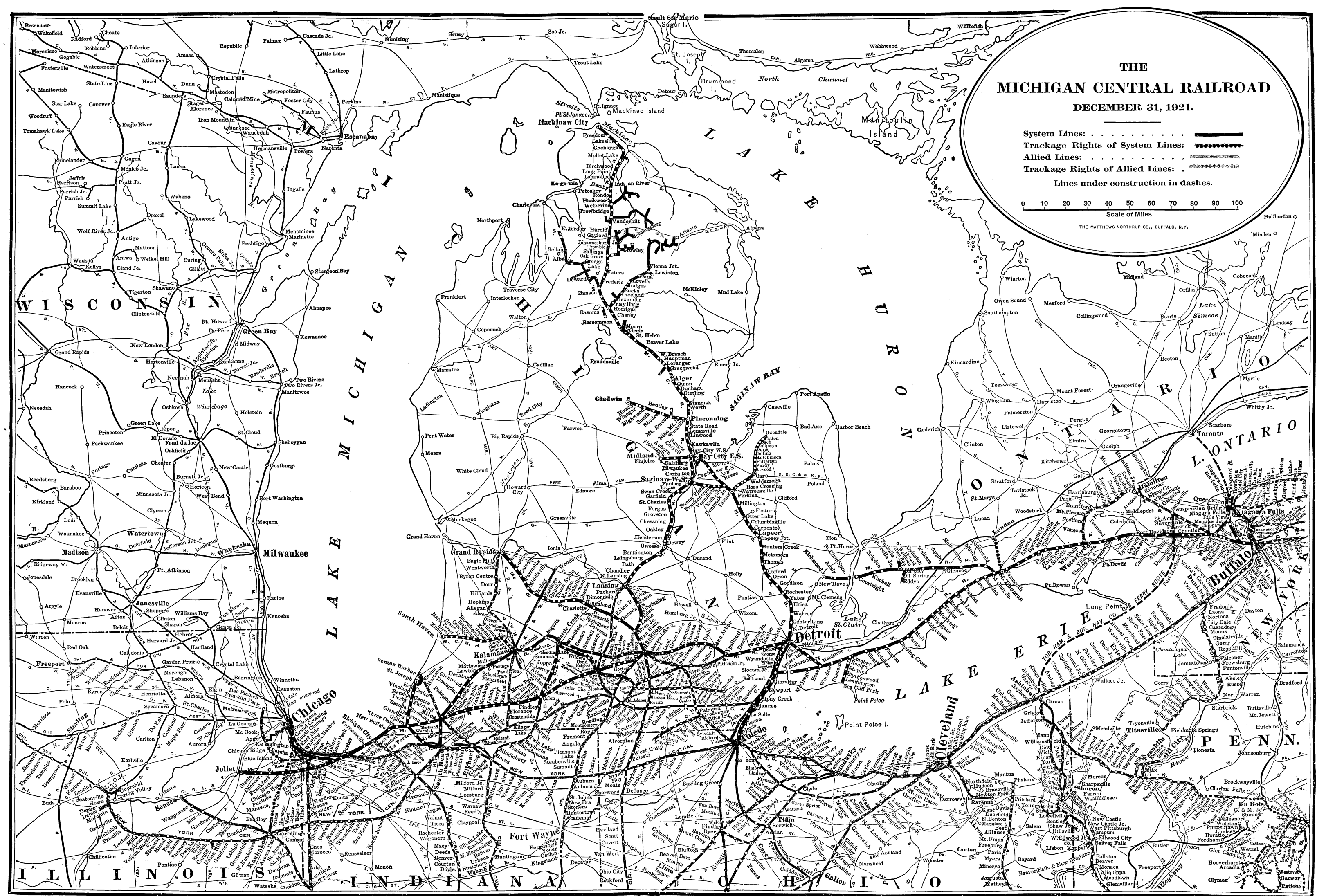
System Lines:
Trackage Rights of System Lines:
Allied Lines:
Trackage Rights of Allied Lines:

Lines under construction in dashes.

0 10 20 30 40 50 60 70 80 90 100

Scale of Miles

THE MATTHEWS-NORTHROP CO., BUFFALO, N.Y.



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DETROIT
MICHIGAN

ORGANIZATION OF
THE MICHIGAN CENTRAL RAILROAD COMPANY

DECEMBER 31, 1921

DIRECTORS

Elected May 5, 1921; term expires May 4, 1922

CHAUNCEY M. DEPEW	ROBERT S. LOVETT
FREDERICK W. VANDERBILT	HAROLD S. VANDERBILT
WILLIAM ROCKEFELLER	EDWARD S. HARKNESS
GEORGE F. BAKER	ALBERT H. HARRIS
WILLIAM K. VANDERBILT	EDMOND D. BRONNER
ALFRED H. SMITH	HENRY M. CAMPBELL

*ABRAHAM T. HARDIN

*Elected June 15, 1921

The position of Chairman of the Board of Directors has been vacant since the death of Henry B. Ledyard on May 25, 1921

The annual meeting of stockholders for the election of directors is held in the city of Detroit, Michigan,
on the first Thursday after the first Wednesday in May

FINANCE COMMITTEE

WILLIAM K. VANDERBILT	WILLIAM ROCKEFELLER
GEORGE F. BAKER	ROBERT S. LOVETT
HAROLD S. VANDERBILT	

CORPORATE OFFICERS

President	ALFRED H. SMITH	New York
Vice President	IRA A. PLACE	New York
Vice President	ABRAHAM T. HARDIN	New York
Vice President	ALBERT H. HARRIS	New York
Vice President	GEORGE H. INGALLS	New York
Vice President	JOHN CARSTENSEN	New York
Vice President	EDMOND D. BRONNER	Detroit
Assistant Vice President	CHARLES J. BRISTER	Chicago
Assistant Vice President	CHARLES C. PAULDING	New York
Secretary	EDWARD F. STEPHENSON	New York
Assistant Secretary	JOSEPH M. O'MAHONEY	New York
General Treasurer	MILTON S. BARGER	New York
Assistant General Treasurer	HARRY G. SNELLING	New York
Assistant General Treasurer	EDGAR FREEMAN	New York
Treasurer	WALTER E. HACKETT	Detroit
Comptroller	WILLIAM C. WISHART	New York
Assistant Comptroller	LEROY V. PORTER	New York
Assistant Comptroller	FREDERICK H. MEEDER	New York

General Treasurer, New York Central Building, 466 Lexington Avenue, New York, transfers stock, pays dividends on stock, transfers bonds and pays interest on bonds

Guaranty Trust Company of New York pays dividends on equipment trust certificates of 1907, 1910, 1912, 1913, 1917 and 1920

Philadelphia Trust Company of Philadelphia pays dividends on equipment trust certificates of 1915

At a meeting of the Board of Directors of The Michigan Central Railroad Company held at the Grand Central Terminal June 15, 1921, the President announced the death of Mr. Henry B. Ledyard, Chairman of the Board of Directors of the company, whereupon the following minute was adopted and directed to be entered upon the records of the company and a copy engrossed and sent to the family:—

THE President announced with sincere regret the death of Henry B. Ledyard, Chairman of the Board of Directors of this company, at his home in Detroit, Michigan, on the 25th day of May, 1921; whereupon the following was presented and adopted:

We, the Directors of The Michigan Central Railroad Company, mourn the death of our Chairman, Henry B. Ledyard. He was an outstanding figure in American life and won distinction as a soldier, engineer and railroad executive. He had the inspiration of a distinguished ancestry. His grandfather was Lewis Cass, one of the foremost statesmen of his time, and he also was a member of the family of Chancellor Livingston of New York. He graduated at West Point with high rank in his class and won recognition and promotion in the army during the Civil War.

When peace came, Mr. Ledyard decided that his duty was to devote his talents, rare equipment and experience to the upbuilding of the country by the extension and improvement of its railroads. He became an engineer on the Northern Pacific in 1870 and afterwards entered the service of the Chicago Burlington and Quincy Railroad Company. He rose rapidly from a clerk to Assistant General Superintendent and Chief Engineer and then to General Superintendent. In 1874 he joined The Michigan Central Railroad Company as Assistant General Superintendent and Chief Engineer. The next year he became General Superintendent, two years afterwards General Manager, and six years in this service led to his advancement to the Presidency of the company.

Mr. Ledyard's training at West Point and in the army had taught him the value of discipline and efficiency. His close contact with the employees in his different positions in the railway service gave him such knowledge of the force that he was able also to secure loyalty to himself and the company with good workmanship.

During his twelve years as President the Michigan Central Railroad was almost made over, and its terminal facilities so enlarged that it was able to care for the unexpected demands of the Great War. He designed and carried through the construction of the tunnel under the Detroit River, which has done so much for interstate commerce.

During his forty-seven years with this company, Mr. Ledyard was not only interested in the extraordinary growth and extension of American railroads, but took an active part in their development.

Mr. Ledyard's life at Washington with his grandfather made him acquainted with the famous people of a most interesting period in our history. He had been in close relations with the great captains of industry. His reminiscences were valuable and most interesting. A large-hearted, big-brained, cultivated man was our late associate and friend who endeared himself to all.

We extend to his family our deepest sympathies.

REPORT

To the Stockholders of

THE MICHIGAN CENTRAL RAILROAD COMPANY:

The Board of Directors herewith submits its report for the year ended December 31, 1921, with statements showing the income account for the year and the financial condition of the company.

Road operated

The following is a comparative table of the mileage operated:

	1921 Miles	1920 Miles	Decrease Miles
Main line and branches owned	1,184·69	1,186·80	2·11
Line jointly owned	·70	·71	·01
Leased lines	577·67	578·35	·68
Lines operated under trackage rights	98·96	100·03	1·07
Total road operated	<u>1,862·02</u>	<u>1,865·89</u>	<u>3·87</u>

The decrease in the mileage of the company's owned, jointly owned and leased lines, as compared with 1920, is the result of corrections in measurements. A change in the operation of passenger trains at South Bend, where they are run on the company's South Bend Branch instead of over the tracks of the New York Central Railroad, accounts for 1·03 miles of the decrease in line operated under trackage rights, the remainder being due to a correction in the measurement of New York Central Railroad tracks between Buffalo and Suspension Bridge.

Traffic conditions

The year 1921 was one of business depression, reflected in the decreased freight and passenger traffic of the company. The tonnage fell off approximately one-third in volume and the passenger traffic approximately one-fourth as compared with 1920. This situation was met by economies in operation.

In co-operation with the federal government in its effort to lower costs of food stuffs, voluntary decreases in rates on certain agricultural products were put in effect during the year. There was no general reduction in other freight rates but adjustments

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were made from time to time to remove inequalities. The company has co-operated with state authorities in a readjustment of rates on road-making material for the purpose of stimulating the building of good roads and to meet the unemployment situation.

There was no general readjustment of passenger rates but the practice which obtained prior to federal control of putting into effect reduced excursion rates during the summer months was re-established to some extent.

Account with Railroad Administration

The company's account with the Railroad Administration covering the period of federal control will be completed in the early part of 1922.

Claim against United States upon the guaranty

The company's claim against the United States based upon its guaranty for the period March–August, 1920, is approaching completion. It has been necessary to re-state this claim several times in accordance with tentative formulas. It will be ready for presentation in the early part of 1922.

Wages

Effective July 1, 1921, the United States Labor Board issued its Decision No. 147, reducing the rates of pay of employees by an amount which aggregated approximately 11 per cent of the payroll. A revision of rules and working conditions for shop employees so modified the lines of demarcation between the various crafts that it is now possible to use a mechanic in one class to do incidental work of another craft. The Board also discontinued the requirement that time and one-half be paid for necessary Sunday service, thus permitting the use of engine terminal and car repair forces for such necessary Sunday work without the payment of a punitive rate. During the federal control period and up to July 1, 1921, all overtime for maintenance of way employees was paid for at the rate of time and one-half, but, under the decision of the Labor Board, the ninth and tenth hours of service may now be paid for at the regular hourly rate. Pending final decision of the Board, certain other classes of employees for whom overtime rates were established by the Director General of Railroads are now receiving the pro rata hourly rate for such overtime. Notwithstanding the reductions in rates of pay and changes in rules above mentioned, the average earnings per employee for the last six months of 1921 as compared with the average earnings per employee in 1917 indicate that wages are still much higher than prior to the federal control period. The company is negotiating with its employees looking to further reductions in pay and further changes in working rules and in some cases these matters have been referred to the Labor Board.

Capital stock

The capital stock of the company remained unchanged during the year.

*The Michigan Central Railroad Company**Changes in funded debt*

The changes in the funded debt of the company are shown in the following statement:

The funded debt outstanding on December 31, 1920, was	\$72,501,446 05
It has been increased as follows:	
Equipment Trust No. 48 of January 15, 1920, additional notes	72,800 00
	<hr/>
	\$72,574,246 05
and has been reduced as follows:	
Michigan Central—Jackson Lansing and Saginaw 3½ per cent gold bonds of 1951 purchased and cancelled by the Trustees of the Land Grant fund of the Jackson Lansing and Saginaw Railroad Company	\$4,000 00
Serial note of the M C R R Co dated December 23, 1920, due December 23, 1921	262,000 00
Payments falling due during the year and on January 1, 1922, on the company's liability for principal installments under equipment trust agreements as follows:	
N Y C Lines Trust of 1907, due November 1, 1921	260,425 45
N Y C Lines Trust of 1910, due January 1, 1922	393,960 44
N Y C Lines Trust of 1912, due January 1, 1922	151,710 90
N Y C Lines Trust of 1913, due January 1, 1922	262,359 54
M C R R Trust of 1915, due October 1, 1921	300,000 00
M C R R Trust of 1917, due March 1, 1921	600,000 00
Equipment Trust No. 48 of January 15, 1920, due January 15, 1921	341,200 00
M C R R Co proportion of N Y C R R Co Trust of April 15, 1920, due April 15, 1921	467,664 75
	<hr/>
	3,043,321 08
	<hr/>
	\$69,530,924 97

The additional notes for \$72,800 issued under Equipment Trust No. 48 were given to the Director General of Railroads in connection with final settlement for the equipment allocated to the company during the period of federal control and described in the annual report for 1920. The total cost of the equipment was \$6,934,865.45, of which \$5,190,800 was financed by equipment notes.

Changes in property investment accounts

The changes in property investment accounts during the year, as shown in detail elsewhere in this report, were as follows:

Investment in road property owned, net increase	\$193,112 45
Investment in equipment, net increase	5,678,682 94
Improvements on leased railway property, net decrease	151,367 67
Miscellaneous physical property, increase	811,974 41
	<hr/>
Total net increase in property investments	\$6,532,402 13

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SUMMARY OF FINANCIAL OPERATIONS AFFECTING INCOME

	Year ended Dec. 31, 1921 <i>1,862.02 miles operated</i>	Year ended Dec. 31, 1920 <i>1,865.89 miles operated</i>	Increase	Decrease <i>3.87 miles</i>
OPERATING INCOME				
RAILWAY OPERATIONS				
Railway operating revenues	\$72,911,852 36			
Railway operating expenses	52,551,944 57			
NET REVENUE FROM RAILWAY OPERATIONS	\$20,359,907 79			
Percentage of expenses to revenues	(72.08)	Items not shown are not comparable		
Railway tax accruals	\$4,681,296 47			
Uncollectible railway revenues	52,834 07	See Note A		
RAILWAY OPERATING INCOME	\$15,625,777 25			
Equipment rents, net credit	\$235,302 55			
Joint facility rents, net debit	457,809 28			
NET RAILWAY OPERATING INCOME	\$15,403,270 52	\$10,508,669 75A	\$4,894,600 77	
MISCELLANEOUS OPERATIONS				
Revenues	\$48,187 23	\$139,827 63		\$91,640 40
Expenses and taxes	27,921 29	82,338 15		54,416 86
MISCELLANEOUS OPERATING INCOME	\$20,265 94	\$57,489 48		\$37,223 54
TOTAL OPERATING INCOME	\$15,423,536 46	\$10,566,159 23	\$4,857,377 23	
OTHER INCOME				
Additional compensation and adjustment of standard return under contract with Director General of Railroads for use of this company's railroad property during federal control	\$621,873 80		\$621,873 80	
Income from lease of road		\$151 25		\$151 25
Miscellaneous rent income	178,304 44	5,845 61	172,458 83	
Miscellaneous non-operating physical property	8,314 20	5,095 85	3,218 35	
Dividend income	440,679 47	498,305 04		57,625 57
Income from funded securities	71,310 86	54,064 68	17,246 18	
Income from unfunded securities and accounts	472,724 77	563,495 98		90,771 21
Miscellaneous income	1,441,616 95*B	30,277 32C		1,471,894 27
TOTAL OTHER INCOME	\$351,590 59	\$1,157,235 73		\$805,645 14
GROSS INCOME	\$15,775,127 05	\$11,723,394 96	\$4,051,732 09	
DEDUCTIONS FROM GROSS INCOME				
Rent for leased roads	\$2,793,425 71	\$2,774,791 59	\$18,634 12	
Miscellaneous rents	4,493 94	4,119 35	374 59	
War taxes accrued	D	92,000 00		\$92,000 00
Miscellaneous tax accruals	12,756 68	6,734 49	6,022 19	
Separately operated properties—loss	896 35	132,438 11		131,541 76
Interest on funded debt	3,396,968 64	3,059,383 17	337,585 47	
Interest on unfunded debt	1,849,322 88	1,668,605 49	180,717 39	
Amortization of discount on funded debt	68,360 99	59,068 79	9,292 20	
Maintenance of investment organization	273 51	1,317 50		1,043 99
Corporate general expenses		29,069 27		29,069 27
Miscellaneous income charges	76,708 27†	90,081 96C		166,790 23
TOTAL DEDUCTIONS FROM GROSS INCOME	\$8,049,790 43	\$7,917,609 72	\$132,180 71	
NET INCOME	\$7,725,336 62	\$3,805,785 24	\$3,919,551 38	
DISPOSITION OF NET INCOME				
Dividends declared (6 per cent 1921, 4 per cent 1920)	\$1,124,184 00	\$749,456 00	\$374,728 00	
SURPLUS FOR THE YEAR CARRIED TO PROFIT AND LOSS	\$6,601,152 62	\$3,056,329 24	\$3,544,823 38	

A—Includes compensation accrued under contract with Director General January and February, Guaranty under Transportation Act, 1920, March to August and net railway operating income—corporate—September to December

B—Includes accrual account Guaranty under Transportation Act, 1920

C—1920 figures revised to include revenues and expenses prior to January 1, 1918

D—War taxes for 1921 included in Railway tax accruals

*Debit

†Credit

*The Michigan Central Railroad Company**Profit and Loss account*

BALANCE TO CREDIT OF PROFIT AND LOSS ON DECEMBER 31, 1920		\$20,831,976 62
ADDITIONS:		
Surplus for the year 1921	\$6,601,152 62	
Profit on road and equipment sold	34,563 73	
Unrefundable overcharges	8,058 32	
Various adjustments of accounts (net)	4,429 35	6,648,204 02
		<hr/>
		\$27,480,180 64
DEDUCTIONS:		
Debt discount extinguished through surplus	\$1,817 20	
Depreciation prior to July 1, 1907, on equipment retired during 1921	242,037 25	
Road property abandoned and not replaced	125,978 96	369,833 41
		<hr/>
BALANCE TO CREDIT OF PROFIT AND LOSS, DECEMBER 31, 1921		\$27,110,347 23

Comparison of revenues, expenses and freight and passenger statistics

The following comparisons of 1921 revenues, expenses and freight and passenger statistics are with those of 1920, including in the latter year similar items of the United States Railroad Administration for January and February.

Revenues, tonnage and passengers

The total operating revenues were \$72,911,852.36, a decrease of \$14,878,946.83.

Freight revenue was \$45,728,134.99, a decrease of \$9,486,988.38. There was a decrease of 9,732,513 tons in freight traffic. The tonnage of bituminous coal and coke fell off 3,739,712 tons, the remainder of the decrease being well distributed among the other commodities.

Passenger revenue was \$20,016,387.06, a decrease of \$3,541,466.14. Total number of passengers carried was 5,234,397, a decrease of 1,700,588. The heavy falling off in tonnage and in passenger traffic during the year more than offset the benefit in earnings from increases in rates which went into effect August 26, 1920. The passenger revenues of the company's Canada Division were also affected by decreases in rates effective January 1 and July 1, 1921.

The revenue from the transportation of mail was \$868,436.79, a decrease of \$589,569.06. The mail traffic of the company increased in 1921. The decrease in mail revenue is the result of the inclusion in 1920 of large amounts for adjustments covering additional compensation for the entire period of federal control.

The express revenues were \$2,771,111.49, a decrease of \$676,936.42 which was due not only to the business depression but the operation of the new contract with the American Railway Express Company effective September 1, 1920.

Operating expenses

In arriving at the net railway operating income for the guaranty period the Transportation Act required that the maintenance allowance should be fixed with reference to the standards and price levels of the test period. The company worked out a tentative factor which resulted in charges to maintenance in excess of actual expenditures and the carrying

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forward of a reserve at the end of 1920. This factor, however, has proved to be larger than the government is likely to accept. Therefore, entries were made in December, 1921, closing out balances in the maintenance reserves which had been accumulated in 1920; and as operating expenses for that year had been over-accrued by the amount of the reserves, it was necessary to adjust operating expenses in 1921 to offset the over-charge and preserve the continuity of the accounts. In making this adjustment the amount tentatively charged against the government for guaranty period operations was reduced and a corresponding charge was made against non-operating income, as a result of which the net corporate income for 1921 was not affected.

The operating expenses for 1921, by groups, as compared with those for 1920, eliminating these adjustments, were as follows:

	Amount	Decrease
Maintenance of way and structures	\$8,686,491 02	\$2,452,507 73
Maintenance of equipment	14,385,253 42	5,797,599 81
Traffic	1,125,580 92	49,670 19*
Transportation	29,533,983 20	8,265,118 47
Miscellaneous	965,030 72	326,899 37
General	1,778,962 20	16,957 51*
Transportation for investment—Cr.	54,394 95	34,429 11
	<hr/> \$56,420,906 53	<hr/> \$16,809,926 79

*Increase

The substantial decrease in operating expenses reflects the falling off in traffic, the economies effected by the company during the year, and reduction in wages and in costs of material and fuel.

Railway tax accruals—Equipment and joint facility rents

Separate tables setting forth the details of these accounts will be found in another part of this report.

Miscellaneous operations

The decrease of \$37,223.54 in net revenue from miscellaneous operations is caused by a change in classification of accounts, under which the results of but two months' operation of the Detroit stockyards were included in 1921 as compared with four months in 1920.

Non-operating income

Pursuant to the final certificate of the Interstate Commerce Commission, the annual compensation for the possession, use and control of the property of this company and its leased lines, under the contract with the Director General of Railroads, is \$8,126,349.13. This is an increase of \$74,221.65 over the amount stated in the contract and accrued during federal control. This increase and additional compensation on completed additions and betterments put in service prior to February 29, 1920, account for the item of \$621,873.80 shown in the income account as additional compensation and adjustment of standard return.

Miscellaneous rent income shows an increase of \$172,458.83, almost entirely attributable to a change in the distribution of rental bills previously included in other accounts, the change having been made in accordance with instructions of the Bureau of Accounts of the Interstate Commerce Commission.

The Michigan Central Railroad Company

The decrease of \$57,625.57 in dividend income is due to the adjustment of over accruals of dividends in 1920.

The increase of \$17,246.18 in income from funded securities is mainly due to income from additional loans to affiliated companies and to the fact that similar income in 1920 was included in income from unfunded securities and accounts. This change in classification was made in compliance with the ruling of the Bureau of Accounts of the Interstate Commerce Commission.

Income from unfunded securities and accounts shows a decrease of \$90,771.21. This decrease is partly accounted for by the reduction in temporary investments and partly by the change in distribution of income from loans made to affiliated companies as above explained.

The decrease of \$1,471,894.27 in miscellaneous income is due in part to a rearrangement, for purposes of comparison, of the figures shown in the 1920 report and in part to adjustments in connection with the guaranty period, March–August, 1920.

Deductions from gross income

There was a decrease in the account “separately operated properties—loss” of \$131,541.76. This decrease is due to the fact that there was a surplus from the operation of the Indiana Harbor Belt Railroad in 1921 while this company was called upon to contribute its proportion of a deficit from the operation of that road in 1920.

The increase of \$337,585.47 in interest on funded debt is mainly caused by the accrual of a full year's interest upon the notes given to The New York Central Railroad Company for the loan of December 23, 1920, and on equipment trust certificates of April 15, 1920.

The increase of \$180,717.39 in interest on unfunded debt is chiefly attributable to accruals of interest on indebtedness to the Director General of Railroads for additions and betterments for road and equipment and on other accounts.

The increase of \$9,292.20 in amortization of discount on funded debt is principally accounted for by the charge-out of a full year's proportion of the discount and expenses in connection with the equipment trust certificates of April 15, 1920.

The decrease of \$29,069.27 in corporate general expenses is due to the inclusion in that account of the expenses of maintaining the corporate organization in January and February, 1920, during which period the transportation property of the company was under federal control. Expenses of a similar character subsequent to February, 1920, have been included in railway operating expenses.

The decrease of \$166,790.23 in miscellaneous income charges is due in part to a rearrangement, for purposes of comparison, of the figures shown in 1920 report and in part to adjustments in connection with the “guaranty period.”

Net corporate income

The net corporate income of the company was \$7,725,336.62, from which were declared dividends of 6 per cent amounting to \$1,124,184.00, leaving a surplus for the year of \$6,601,152.62, an increase over the surplus for 1920 of \$3,544,823.38.

*Annual Report**Elimination of highway grade crossings at Detroit, Michigan*

The separation of grades at various streets in Detroit under contracts with the City, the first of which was made in 1900, was necessarily suspended during the war period. The city has grown very rapidly, especially in the southwesterly portion, and the highway traffic has become so heavy over certain streets as to render the separation of grades essential. During the year grade separation work has progressed at Livernois, Dix and Waterman avenues. The City has undertaken to open Military Avenue under the company's tracks at its expense.

Pensions

In the operation of the Pension Department 78 employees were retired and placed upon the pension rolls. Of these retirements 47 were authorized because of the attainment of seventy years of age, and 31 because of permanent physical disability. Fifty pensioners died during 1921. At the close of the year, 402 retired employees were carried upon the pension rolls. The average monthly pension allowance of these is \$29.04. The total amount paid in pensions during the year was \$141,535.94.

Changes in organization

On May 5th, Mr. Edmond D. Bronner was elected a Director to fill the vacancy caused by the death of Mr. William K. Vanderbilt and on the same date Mr. Henry M. Campbell was elected a Director to fill the vacancy caused by the resignation on February 9th of Mr. Samuel Mather.

Appreciative acknowledgment is made to all officers and employees of their loyal and efficient co-operation and service.

For the Board of Directors,

ALFRED H. SMITH,

President.

The Michigan Central Railroad Company

CAPITALIZATION

Capital stock

Number of shares authorized	187,380	Par value authorized	\$18,738,000 00
Number of shares issued	187,380	Par value issued	\$18,738,000 00
Number of shares held by company	16	Par value held by company	1,600 00
Number of shares actually outstanding	187,364	Par value actually outstanding	\$18,736,400 00
Par value per share	\$100.00	Dividend for the year	6 per cent

Funded debt

MORTGAGE BONDS	Date of issue	Date of maturity	Amount of authorized issue	Amount issued and now outstanding	Rate of interest	Payable on the first day of
Michigan Central Railroad Co first	1902	May 1, 1952	\$18,000,000 00	\$18,000,000 00	3½%	{ November and May
Michigan Central Railroad Co refunding and improvement-series A	1917	Jan. 1, 1947	6,171,000 00	6,171,000 00	4½%	{ July and January
Michigan Central Railroad Co refunding and improvement-series B						
Gold debentures	1909	April 1, 1929	\$25,000,000 00	\$7,634,000 00	4%	{ October and April
Grand River Valley Railroad first	1909	Sept. 1, 1959	4,500,000 00	1,500,000 00	4%	{ March and September
Detroit & Bay City Railroad first	1881	Mch. 1, 1931	4,000,000 00	4,000,000 00	5%	{ June, Sept Dec, March
Kalamazoo & South Haven Railroad first	1889	Nov. 1, 1939	700,000 00	700,000 00	5%	{ May and November
Michigan Air Line Railroad first	1890	Jan. 1, 1940	2,600,000 00	2,600,000 00	4%	{ July and January
Jackson Lansing & Saginaw Railroad first	1901	Sept. 1, 1951	2,000,000 00	1,695,000 00*	3½%	{ March and September
Joliet and Northern Indiana Railroad first	1907	July 10, 1957	3,000,000 00	1,500,000 00	4%	{ January 10 and July 10
Bay City & Battle Creek Railway first	1889	Dec. 1, 1989	1,800,000 00	49,000 00†	3%	{ June and December
Toledo Canada Southern and Detroit Railway first	1906	Jan. 1, 1956	4,500,000 00	3,100,000 00	4%	{ July and January
Total book liability				\$47,456,000 00		
Less Michigan Central Railroad Co refunding and improvement mortgage bonds nominally issued and held by or for the company				6,678,000 00		
Total mortgage bonds actually outstanding				\$40,778,000 00		

EQUIPMENT TRUST OBLIGATIONS

N Y C Lines equipment trust certificates of 1907	1907	Nov. 1, 1922	\$3,906,381 73	\$260,425 43	5%	{ May and November
N Y C Lines equipment trust certificates of 1910	1910	Jan. 1, 1925	5,909,406 53	1,181,881 28	4½%	{ July and January
N Y C Lines equipment trust certificates of 1912	1912	Jan. 1, 1927	2,275,663 50	758,554 50	4½%	{ July and January
N Y C Lines equipment trust certificates of 1913	1913	Jan. 1, 1928	3,697,777 50	1,574,157 26	4½%	{ July and January
M C R R equipment trust certificates of 1915	1915	Oct. 1, 1930	4,500,000 00	2,700,000 00	5%	{ April and October
M C R R equipment trust certificates of 1917	1917	Mch. 1, 1932	9,000,000 00	6,600,000 00	6%	{ September and March
Equipment trust No. 48 notes of January 15, 1920	1920	Jan. 15, 1935	5,190,800 00	4,849,600 00	6%	{ June 15 and January 15
N Y C R R Co equipment trust certificates of April 15, 1920	1920	April 15, 1935	7,014,971 25	6,547,306 50	7%	{ October 15 and April 15
Total equipment trust obligations actually outstanding						

NOTES

Promissory notes due serially at yearly intervals, N Y C R R Co	1920	Dec. 23, 1935	\$3,930,000 00	\$3,668,000 00	6%	{ June 23 and December 23
Ten-year promissory note, N Y C R R Co						
	1920	Dec. 23, 1930	613,000 00	613,000 00	6%	{ June 23 and December 23
Total notes outstanding				\$4,281 000 00		
Total funded debt actually outstanding				\$69 530,924 97		

*\$305,000 purchased and retired by the Land Grant Trustees
†Balance remaining out of an issue of \$250,000

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CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1921

ASSETS

INVESTMENTS

Investment in road and equipment			
Road and equipment to June 30, 1907		\$35,213,257 09	
Road and equipment since June 30, 1907			
Road	\$35,838,058 65		
Equipment—trust	50,930,875 71		
Equipment—owned	<u>1,423,481 36</u>	<u>88,192,415 72</u>	\$123,405,672 81
Improvements on leased railway property			
To June 30, 1907		\$823,773 76	
Since June 30, 1907		<u>2,057,722 77</u>	2,881,496 53
Deposits in lieu of mortgaged property sold			3,794 50
Miscellaneous physical property			1,456,375 94
Investments in affiliated companies			
Stocks		\$8,853,794 50	
Bonds		825,200 00	
Notes		810,920 28	
Advances		<u>1,029,318 72</u>	11,519,233 50
Other investments			
Stocks		\$15,004 00	
Bonds		230,860 62	
Miscellaneous		<u>1 00</u>	245,865 62
Total investments			<u>\$139,512,438 90</u>

CURRENT ASSETS

Cash		\$3,273,136 11	
Special deposits		359,231 86	
Loans and bills receivable		2,120 98	
Traffic and car-service balances receivable		963,782 59	
Net balances receivable from agents and conductors		1,474,309 29	
Miscellaneous accounts receivable			
Compensation due from United States Government	\$4,048,710 87		
Other miscellaneous accounts receivable	<u>2,705,121 08</u>	6,753,831 95	
Material and supplies		9,967,607 55	
Interest and dividends receivable		<u>301,682 53</u>	23,095,702 86

DEFERRED ASSETS

Working fund advances		\$37,298 35	
United States Government			
Cash taken over January 1, 1918	\$3,710,264 60		
Agents' and conductors' balances, December 31, 1917	4,003,419 46		
Assets December 31, 1917, collected	4,354,958 10		
Material and supplies, December 31, 1917	8,747,643 38		
Equipment retired	2,146,397 60		
Federal accrued depreciation—balance	1,842,299 73		
Agents' and conductors' balances, February 29, 1920	691,694 30		
Other items	<u>2,474,458 29</u>	27,971,135 46	
Other deferred assets		<u>26,977 13</u>	28,035,410 94

UNADJUSTED DEBITS

Rents and insurance premiums paid in advance		\$2,707 86	
Discount on funded debt		999,033 46	
United States Government, guaranty due under section 209 of Transportation Act, 1920		3,132,201 03	
Other unadjusted debits		<u>1,761,131 01</u>	5,895,073 36
Securities issued or assumed—unpledged (\$6,172,600)			
Securities issued or assumed—pledged (\$507,000)			
			<u>\$196,538,626 06</u>

*The Michigan Central Railroad Company***CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1921****LIABILITIES****STOCK**

Capital stock		\$18,736,400 00
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LONG TERM DEBT

Funded debt unmatured		
Equipment obligations	\$24,471,924 97	
Mortgage bonds	40,778,000 00	
Miscellaneous obligations	4,281,000 00	69,530,924 97

CURRENT LIABILITIES

Loans and bills payable	\$3,050,000 00	
Traffic and car-service balances payable	2,115,685 50	
Audited accounts and wages payable	5,407,877 84	
Miscellaneous accounts payable	435,590 34	
Interest matured unpaid	26,470 00	
Dividends matured unpaid	4,698 00	
Funded debt matured unpaid	2,000 00	
Unmatured dividends declared	749,456 00	
Unmatured interest accrued	1,220,820 52	
Unmatured rents accrued	456,131 03	
Other current liabilities	1,060 35	13,469,789 53

DEFERRED LIABILITIES

United States Government		
Additions and betterments	\$9,741,327 31	
Liabilities December 31, 1917, paid	11,366,318 45	
Corporate transactions	3,154,271 36	
Revenues and expenses prior to January 1, 1918	3,985,231 80	
Material and supplies, February 29, 1920	9,323,108 49	
Other items	2,448,925 05	\$40,019,182 46
Other deferred liabilities	453,203 01	40,472,385 47

UNADJUSTED CREDITS

Tax liability	\$4,386,313 17	
Operating reserves	1,838,295 13	
Accrued depreciation—road	66,186 24	
Accrued depreciation—equipment	12,548,105 89	
Accrued depreciation—miscellaneous physical property	6,949 38	
Other unadjusted credits	1,894,896 92	20,740,746 73

CORPORATE SURPLUS

Additions to property through income and surplus	\$6,478,032 08	
Profit and loss—balance	27,110,347 23	33,588,379 31
		\$196,538,626 06

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EQUIPMENT TRUSTS

The following statement shows the character of the equipment acquired under the terms of Equipment Trust Agreements and Leases together with the total amount of obligations issued and the amount now outstanding:

N Y C LINES EQUIPMENT TRUST OF 1907					Certificates issued for not to exceed 90 per cent of value bearing interest at 5 per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1921
Company	Loco-motives	Passenger cars	Freight cars	Company service cars				
M C R R	11	17	3,487	197	\$3,906,381 73	\$260,425 45	\$3,645,956 30	\$260,425 43
N Y C R R	576	149	11,383	345	22,393,271 11	1,492,884 74	20,900,386 36	1,492,884 75
C C C & St L Ry	114	18	1,522	95	3,700,347 16	246,689 81	3,453,657 34	246,689 82
Totals	701	184	16,392	637	\$30,000,000 00	\$2,000,000 00	\$28,000,000 00	\$2,000,000 00

N Y C LINES EQUIPMENT TRUST OF 1910					Certificates issued for not to exceed 90 per cent of value bearing interest at 4½ per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1921
Company	Loco-motives	Passenger cars	Freight cars	Company service cars				
M C R R	135	35	3,283		\$5,909,406 53	\$393,960 44	\$4,727,525 25	\$1,181,881 28
N Y C R R	231	104	17,473	249	21,096,206 17	1,406,413 74	16,876,964 91	4,219,241 26
C C C & St L Ry	84	6	1,599		2,994,387 30	199,625 82	2,395,509 84	598,877 46
Totals	450	145	22,355	249	\$30,000,000 00	\$2,000,000 00	\$24,000,000 00	\$6,000,000 00

N Y C LINES EQUIPMENT TRUST OF 1912					Certificates issued for not to exceed 90 per cent of value bearing interest at 4½ per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1921
Company	Loco-motives	Passenger cars	Freight cars	Company service cars				
M C R R	31	1	2,497		\$2,275,663 50	\$151,710 90	\$1,517,109 00	\$758,554 50
N Y C R R	63	96	10,345	150	10,325,983 50	688,398 90	6,883,989 00	3,441,994 50
C C C & St L Ry	53	27	1,493		2,398,353 00	159,890 20	1,598,902 00	799,451 00
Totals	147	124	14,335	150	\$15,000,000 00	\$1,000,000 00	\$10,000,000 00	\$5,000,000 00

N Y C LINES EQUIPMENT TRUST OF 1913					Certificates issued for not to exceed 90 per cent of value bearing interest at 4½ per cent	Annual installments	Certificates redeemed	Balance certificates outstanding Dec. 31, 1921
Company	Loco-motives	Passenger cars	Freight cars					
M C R R	88	82	740		\$3,697,777 50	\$262,359 54	\$2,123,620 24	\$1,574,157 26
N Y C R R	249	314	2,000		10,734,681 38	742,117 61	6,281,975 66	4,452,705 72
C C C & St L Ry		47	1,000		1,706,775 32	116,733 71	1,006,373 08	700,402 24
P & L E R R			4,000		3,981,991 50	265,466 10	2,389,194 90	1,592,796 60
T & O C Ry	3		3,500		3,057,774 30	213,323 04	1,777,836 12	1,279,938 18
Totals	340	443	11,240		\$23,179,000 00	\$1,600,000 00	\$13,579,000 00	\$9,600,000 00

M C RAILROAD EQUIPMENT TRUST OF 1915					Certificates issued for not to exceed 90 per cent of value bearing interest at 5 per cent	Annual installment	Certificates redeemed	Balance certificates outstanding Dec. 31, 1921
Company	Loco-motives	Passenger cars	Freight cars					
M C R R			4,045		\$4,500,000 00	\$300,000 00	\$1,800,000 00	\$2,700,000 00

M C RAILROAD EQUIPMENT TRUST OF 1917					Certificates issued for not to exceed 80 per cent of value bearing interest at 6 per cent	Annual installment	Certificates redeemed	Balance certificates outstanding Dec. 31, 1921
Company	Loco-motives	Passenger cars	Freight cars					
M C R R	10	50	6,000		\$8,802,000 00	\$600,000 00	\$2,202,000 00	\$6,600,000 00

EQUIPMENT TRUST No. 48 OF JAN. 15, 1920					Notes issued for not to exceed 75 per cent of value bearing interest at 6 per cent	Annual installment	Notes redeemed	Balance notes outstanding Dec. 31, 1921
Company	Loco-motives	Passenger cars	Freight cars					
M C R R	30		2,000		\$5,190,800 00	\$346,400 00	\$341,200 00	\$4,849,600 00

NEW YORK CENTRAL RAILROAD COMPANY EQUIPMENT TRUST OF APRIL 15, 1920					Certificates issued for not to exceed 75 per cent of value bearing interest at 7 per cent	Annual installment	Certificates redeemed	Balance certificates outstanding Dec. 31, 1921
Company	Loco-motives	Passenger cars	Freight cars					
M C R R	26	38	1,950		\$7,014,971 25	\$467,664 75	\$467,664 75	\$6,547,306 50

The Michigan Central Railroad Company

DETAIL OF EXPENDITURES FOR IMPROVEMENTS TO PROPERTY

Improvements in station, yard and terminal facilities

New engine and terminal facilities, Niles	\$10,712 85	
Water tank, Battle Creek	6,033 38	
Water tank, Grayling	6,732 63	
Water station, Michigan City	4,823 62	
New freight house, Albion	8,469 46	
Roundhouse and facilities, Kensington	5,569 81	
Track scale, Lansing	9,780 41	
Stock pens, Wenona	6,333 70	
Tractor and trailer for transfer house, West Detroit	5,232 50	
Office equipment, sundry places	99,941 09	
Machinery for car and locomotive shops	13,851 52	
	<hr/> \$177,480 97	
Less adjustments and sundry structures abandoned	44,934 49	\$132,546 48

Land purchased

Jackson Junction	\$2,530 00	
Hastings	3,500 00	
Sundry places	176 36	
	<hr/> \$6,206 36	
Less land sold	360 00	5,846 36

Roadway and bridge improvements

Grade separation, Dearborn	\$5,397 67	
Grade separation, Detroit	162,368 32	
Grade separation, Kensington	6,213 77	
Forest Lawn interlocker, Detroit	19,562 12	
Concrete road, Niles	5,082 47	
Improvements in crossing protection	12,114 70	
Increased weight of rail	587,964 88	
Interlocker, Cedar Street, Lansing	5,770 42	
Paving, various places	25,362 68	
Track changes, Junction yards	13,724 13	
Copper telegraph line, Detroit to Jackson	16,626 72	
Reconstructing telegraph line, Jackson	7,095 51	
Bridge 60.18, Lapeer	16,046 67	
Bridge 2.30, Jackson	3,209 94	
Bridge 23.25, Kilwinning Pit	4,037 92	
Bridge 17.67, Pinconning	3,382 73	
Bridge 35.80, Three Rivers	2,462 36	
Bridge 36.30, Monroe	2,569 67	
	<hr/> \$898,992 68	
Less sundry adjustments	107,708 07	791,284 61
		<hr/> \$929,677 45

Credits

Amount transferred to Investment in Miscellaneous Physical Property account of Detroit stockyards	\$732,565 00	
Michigan Central—Jackson Lansing and Saginaw Railroad bonds retired during the year	4,000 00	736,565 00
	<hr/>	
Net increase in road expenditures (carried forward)		<hr/> \$193,112 45

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DETAIL OF EXPENDITURES FOR IMPROVEMENTS TO PROPERTY (*concluded*)

			<i>Brought forward</i>	\$193,112 45
<i>Trust equipment</i>				
EQUIPMENT ADDED, including betterments:				
Steam locomotives,	4 put in service	\$227,964 58		
Passenger-train cars,	26 " " "	784,448 14		
Freight-train cars,	1,620 " " "	5,901,387 45	\$6,913,800 17	
<i>Less adjustment in cost of equipment under</i>				
Trust No. 48				
Steam locomotives		\$82,168 37		
Freight-train cars		209,306 18	291,474 55	
			<u>\$6,622,325 62</u>	
EQUIPMENT RETIRED:				
271 freight-train cars			328,005 51	
	Net increase in trust equipment			\$6,294,320 11
<i>Owned equipment</i>				
EQUIPMENT ADDED, including betterments:				
Steam locomotives		\$5,333 89		
Freight-train cars,	70 put in service	156,309 19		
Work equipment,	3 " " "	34,000 00		
Miscellaneous equipment,	6 " " "	8,523 86	\$204,166 94	
EQUIPMENT RETIRED				
14 steam locomotives		\$142,513 13		
2 passenger-train cars		7,289 00		
985 freight-train cars		641,927 13		
52 pieces of work equipment		26,159 00		
4 pieces of miscellaneous equipment		1,915 85	819,804 11	
	Net decrease in owned equipment		615,637 17	
	Net increase in equipment investment			5,678,682 94
	Net increase in road and equipment investment during the year			<u>\$5,871,795 39</u>
<i>Improvements on leased or controlled railway property</i>				
<i>Battle Creek and Sturgis Railway</i>				
Bridge 9.86, Barnum Lake		\$839 51		
Signal changes, Fairfax		33 04		
		<u>\$872 55</u>		
<i>Less tracks abandoned</i>		1,657 18		\$784 63*
<i>Detroit Toledo and Milwaukee Railroad</i>				
Industrial tracks, Battle Creek		\$1,730 25		
Paving, Burchard Street, Battle Creek		188 21		
Increased weight of rail		232 67		
Well at stockyards, Wheelerton		181 46		
		<u>\$2,332 59</u>		
<i>Less structures abandoned</i>		3,990 00		1,657 41*
<i>Detroit Manufacturers Railroad</i>				
Track for Department of Public Works, Detroit				1,402 46
<i>Joliet and Northern Indiana Railroad</i>				
Bridge 18.96, Chicago Heights		\$3,204 85		
Grade separation, Joliet		2,484 16		
Increased weight of rail		17,551 75		
Icing platform and track, Joliet		3,965 89		
Interchange track, Joliet		1,007 00		
		<u>\$28,213 65</u>		
<i>Less sundry abandonments and adjustments</i>		31,346 42		3,132 77*
<i>St Joseph South Bend and Southern Railroad</i>				
Water tank, Galien		\$2,580 98		
Increased weight of rail		1,010 03		
Bridge 3.48, Derby		370 42		
Walnut Street sewer, South Bend		410 36		
		<u>\$4,371 79</u>		
<i>Less sundry adjustments</i>		1,838 66		2,533 13
				<u>\$1,639 22*</u>
<i>Credit</i>				
Amount transferred to Investment in Affiliated Companies,—Advances, covering expenditures prior to December 31, 1920:				
<i>Detroit River Tunnel Company</i>		\$96,716 37		
<i>Lansing Manufacturers Railroad</i>		15,515 02		
Expenditures made for office equipment prior to December 31, 1920, charged to				
<i>Detroit River Tunnel Company in error</i>		37,497 06	149,728 45	
*Credit	Net decrease in account "Improvements on leased railway property"			<u>\$151,367 67</u>

*The Michigan Central Railroad Company***SECURITIES OWNED***Stock*

	Total amount issued	Held by this company	
		No of shares	Par value
Battle Creek & Sturgis Railway Co	\$500,000 00	4,175	\$417,500 00
Canada Southern Railway Co	15,000,000 00	78,100	7,810,000 00
Chicago Kalamazoo & Saginaw Railway Co	450,000 00	2,700	270,000 00
Clifton Hotel Co, Ltd	500,000 00	150	15,000 00
Detroit Manufacturers' Railroad Co	300,000 00	1,762	176,200 00
Detroit River Tunnel Co	3,000,000 00	30,000	3,000,000 00
Detroit Terminal Railroad Co	2,000,000 00	5,000	500,000 00
Detroit Toledo & Milwaukee Railroad Co	1,060,000 00	5,300	530,000 00
Indiana Harbor Belt Railroad Co	5,000,000 00	15,000	1,500,000 00
Joliet & Northern Indiana Railroad Co	300,000 00	3,000	300,000 00
Lansing Manufacturers R R	100,000 00	500	50,000 00
Lansing Transit Railway Co	2,000 00	10	1,000 00
Mackinac Transportation Co	65,000 00	216 $\frac{2}{3}$	21,666 67
Toledo Terminal Railroad Co	4,000,000 00	3,872	387,200 00
Toronto Hamilton & Buffalo Railway Co	4,512,500 00	9,842	984,200 00
Miscellaneous companies			60,100 00
Total			<u>\$16,022,866 67</u>

Bonds

	Total outstanding	
Battle Creek & Sturgis Railway Co	\$500,000 00	\$24,000 00
Chicago Kalamazoo & Saginaw Railway Co	1,268,000 00	761,000 00
Toronto Hamilton & Buffalo Railway Co	2,000,000 00	250,000 00
Toledo Terminal Railroad Co	4,386,000 00	42,000 00
United States Government 1st Liberty Loan bonds, 3 $\frac{1}{2}$ %		12,150 00
United States Government 1st Liberty Loan bonds, converted 4 $\frac{1}{4}$ %		50,350 00
United States Government 2nd Liberty Loan bonds, converted 4 $\frac{1}{4}$ %		168,900 00
Canadian Victory Loan bonds of 1917		3,650 00
Total		<u>\$1,312,050 00</u>
Total par value of securities owned		<u>\$17,334,916 67</u>

The securities owned by this company are carried on its books at a value of \$9,924,859.12

HIRE OF EQUIPMENT ACCOUNT

	Amount paid for use	Amount received from hire	Debit balance	Credit balance
Locomotives	\$58,722 91	\$49,524 79	\$9,198 12	
Passenger-train cars	506,043 70	235,502 14	270,541 56	
Freight-train cars	6,671,536 74	7,174,473 93		\$502,937 19
Work equipment	10,646 49	22,884 47		12,237 98
Floating equipment	132 94		132 94	
Totals	<u>\$7,247,082 78</u>	<u>\$7,482,385 33</u>		<u>\$235,302 55</u>

JOINT FACILITY RENT ACCOUNT

Amount paid for use of facilities maintained by other companies	\$703,014 11
Amount received for use of facilities maintained by this company	245,204 83
Net debit	<u>\$457,809 28</u>

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DETAIL OF RAILWAY OPERATING REVENUES

REVENUES FROM TRANSPORTATION	1921	1920*	Increase	Decrease
Freight	\$45,728,134 99	\$55,215,123 37		\$9,486,988 38
Passenger	20,016,387 06	23,557,853 20		3,541,466 14
Excess baggage	180,250 71	177,128 83	\$3,121 88	
Mail	868,436 79	1,458,005 85		589,569 06
Express	2,771,111 49	3,448,047 91		676,936 42
Other passenger train	98,049 71	62,073 67	35,976 04	
Milk	122,764 90	143,342 31		20,577 41
Switching	1,004,495 74	1,086,692 12		82,196 38
Special service train	15,224 97	6,290 89	8,934 08	
Other freight train	1,652 75		1,652 75	
Total	\$70,806,509 11	\$85,154,558 15		\$14,348,049 04
INCIDENT AND JOINT FACILITY				
Dining and buffet	\$786,569 84	\$981,489 51		\$194,919 67
Hotel and restaurant	125,146 99	173,019 97		47,872 98
Station and train privileges	79,052 63	85,234 16		6,181 53
Parcel room	26,697 36	37,481 84		10,784 48
Storage—freight	69,659 23	70,603 09		943 86
Storage—baggage	19,211 22	26,128 12		6,916 90
Demurrage	336,662 97	574,967 15		238,304 18
Telegraph and telephone	2,218 33	3,048 98		830 65
Grain elevator	17,793 21	16,477 27	\$1,315 94	
Stockyard	206,683 70	225,244 63		18,560 93
Rents of buildings and other property	49,863 30	203,227 59		153,364 29
Miscellaneous	332,936 26	159,806 29	173,129 97	
Joint facility—Cr.	70,170 44	94,325 94		24,155 50
Joint facility—Dr.	17,322 23	14,813 50		2,508 73
Total	\$2,105,343 25	\$2,636,241 04		\$530,897 79
Total railway operating revenues	\$72,911,852 36	\$87,790,799 19		\$14,878,946 83

DETAIL OF RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES	1921	1920*	Increase	Decrease
Superintendence	\$551,493 31	\$665,428 11		\$113,934 80
Roadway maintenance	801,718 96	1,386,118 49		584,399 53
Underground power tubes		465 55		465 55
Tunnels and subways	20,560 34	25,247 03		4,686 69
Bridges, trestles and culverts	115,273 63	164,008 94		48,735 31
Ties	1,293,630 82	764,976 03	\$528,654 79	
Rails	771,671 15	552,411 25	219,259 90	
Other track material	1,090,896 61	924,990 95	165,905 66	
Ballast	35,450 46	219,129 09		183,678 63
Track laying and surfacing	2,273,022 70	4,081,953 80		1,808,931 10
Right-of-way fences	69,272 52	76,053 88		6,781 36
Snow and sand fences and snowsheds	2,392 60	272 16	2,120 44	
Crossings and signs	164,643 37	195,368 43		30,725 06
Station and office buildings	293,296 11	386,204 91		92,908 80
Roadway buildings	16,516 38	27,662 13		11,145 75
Water stations	104,879 81	128,530 44		23,650 63
Fuel stations	50,754 43	49,076 31	1,678 12	
Shops and enginehouses	178,250 11	287,740 89		109,490 78
Carried forward	\$7,833,723 31	\$9,935,638 39A		

* January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation
A Details adjusted for purposes of comparison

The Michigan Central Railroad Company

DETAIL OF RAILWAY OPERATING EXPENSES (continued)

MAINTENANCE OF WAY AND STRUCTURES		1921	1920*	Increase	Decrease
(concluded)	Brought forward	\$7,833,723 31	\$9,935,638 39 _A		
Grain elevators		4,156 09	7,503 21		\$3,347 12
Wharves and docks		1,555 57	17,306 58		15,751 01
Telegraph and telephone lines		47,746 01	131,224 48		83,478 47
Signals and interlockers		289,374 11	320,784 77		31,410 66
Power plant buildings		13,261 37	9,014 86	\$4,246 51	
Power substation buildings		30 12	33 33		3 21
Power transmission systems		1,771 91	2,727 28		955 37
Power distribution systems		18,311 59	25,310 28		6,998 69
Power line poles and fixtures		1,695 20	5,402 58		3,707 38
Underground conduits		284 15	153 91	130 24	
Miscellaneous structures		7,909 68	18,481 27		10,571 59
Paving		1,609 04		1,609 04	
Roadway machines		13,953 25	31,142 06		17,188 81
Small tools and supplies		71,055 80	114,518 69		43,462 89
Removing snow, ice and sand		54,401 12	395,621 12		341,220 00
Assessments for public improvements		103,095 66	600 58	102,495 08	
Injuries to persons		37,242 30	31,490 46	5,751 84	
Insurance		44,966 73	26,799 06	18,167 67	
Stationery and printing		15,271 67	18,821 93		3,550 26
Other expenses		31 35	885 00		853 65
Maintaining joint tracks, yards and other facilities—Dr.		498,952 86	409,918 32	89,034 54	
Maintaining joint tracks, yards and other facilities—Cr.		373,907 87	364,379 41		9,528 46
Equalization of maintenance		1,180,481 81†	1,212,936 04		2,393,417 85
Total		\$7,503,009 21	\$12,351,934 79 _A		\$4,845,925 58

MAINTENANCE OF EQUIPMENT

Superintendence	\$406,958 35	\$476,925 06		\$69,966 71
Shop machinery	140,995 79	237,169 55		96,173 76
Power plant machinery	11,438 37	10,839 97	\$598 40	
Power substation apparatus	7,805 01	47,953 38		40,148 37
Power substation apparatus—depreciation	6,000 00	6,000 00		
Steam locomotives—repairs	4,502,433 68	6,367,461 01		1,865,027 33
Steam locomotives—depreciation	511,470 00	448,575 73	62,894 27	
Steam locomotives—retirements	24,853 01	15,242 30	9,610 71	
Other locomotives—repairs	10,718 67	34,470 85		23,752 18
Other locomotives—depreciation	14,158 90	14,284 22		125 32
Freight-train cars—repairs	5,815,405 32	9,061,387 21		3,245,981 89
Freight-train cars—depreciation	1,583,270 03	1,309,266 78	274,003 25	
Freight-train cars—retirements	122,595 82	89,107 62	33,488 20	
Passenger-train cars—repairs	753,147 54	1,548,050 86		794,903 32
Passenger-train cars—depreciation	150,654 17	137,341 68	13,312 49	
Passenger-train cars—retirements	137 00†	254 75		391 75
Work equipment—repairs	33,884 17	169,939 80		136,055 63
Work equipment—depreciation	37,140 40	36,001 44	1,138 96	
Work equipment—retirements	3,606 15	4,112 60		506 45
Miscellaneous equipment—repairs	19,200 53	9,376 04	9,824 49	
Miscellaneous equipment—depreciation	395 01	62 76	332 25	
Miscellaneous equipment—retirements	1,678 00	1,237 50	440 50	
Injuries to persons	35,711 48	54,315 70		18,604 22
Insurance	53,572 49	16,046 38	37,526 11	
Stationery and printing	34,114 63	48,849 09		14,734 46
Other expenses	14,118 02	6,808 90	7,309 12	
Maintaining joint equipment at terminals—Dr.	90,338 63	31,772 05	58,566 58	
Maintaining joint equipment at terminals—Cr.	273 75			273 75
Equalization of maintenance	2,688,480 15†	2,696,789 59		5,385,269 74
Total	\$11,696,773 27	\$22,879,642 82 _A		\$11,182,869 55

* January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation

A Details adjusted for purposes of comparison

† Credit

Annual Report

DETAIL OF RAILWAY OPERATING EXPENSES (*continued*)

TRAFFIC EXPENSES	1921	1920*	Increase	Decrease
Superintendence	\$414,897 26	\$449,102 77		\$34,205 51
Outside agencies	406,790 83	266,871 84	\$139,918 99	
Advertising	56,747 20	56,810 17		62 97
Traffic associations	21,759 73	93,846 85		72,087 12
Fast freight lines	3,646 82	13,833 21A		10,186 39
Industrial and immigration bureaus	20,373 30	19,810 68	562 62	
Insurance	300 92	771 22		470 30
Stationery and printing	200,463 68	174,702 57	25,761 11	
Other expenses	601 18	161 42	439 76	
Total	\$1,125,580 92	\$1,075,910 73A	\$49,670 19	
TRANSPORTATION EXPENSES				
Superintendence	\$811,577 51	\$978,531 70		\$166,954 19
Despatching trains	226,294 44	283,620 07		57,325 63
Station employees	3,926,372 63	5,387,010 61		1,460,637 98
Weighing, inspection and demurrage bureaus	50,564 42	48,459 18	\$2,105 24	
Station supplies and expenses	353,930 61	404,957 45		51,026 84
Yardmasters and yard clerks	853,846 90	1,189,658 40		335,811 50
Yard conductors and brakemen	1,978,968 07	3,071,906 47		1,092,938 40
Yard switch and signal tenders	247,335 85	305,392 02		58,056 17
Yard enginemen	1,260,029 55	2,001,100 63		741,071 08
Yard motormen	10,684 57	11,989 14		1,304 57
Fuel for yard locomotives	1,498,822 45	2,132,022 87		633,200 42
Yard switching power produced	9,231 53	10,237 49		1,005 96
Water for yard locomotives	79,522 78	87,297 73		7,774 95
Lubricants for yard locomotives	10,852 95	29,096 45		18,243 50
Other supplies for yard locomotives	12,653 89	44,079 37		31,425 48
Enginehouse expenses—yard	480,017 39	818,980 44		338,963 05
Yard supplies and expenses	60,003 11	75,665 57		15,662 46
Operating joint yards and terminals—Dr.	1,003,839 21	914,292 91	89,546 30	
Operating joint yards and terminals—Cr.	161,005 35	287,098 46	126,093 11	
Train enginemen	2,106,103 02	2,894,571 16		788,468 14
Train motormen	67,980 75	82,341 19		14,360 44
Fuel for train locomotives	5,465,354 57	6,649,882 56		1,184,527 99
Train power produced	36,971 16	41,051 12		4,079 96
Water for train locomotives	229,192 36	252,416 22		23,223 86
Lubricants for train locomotives	51,957 82	49,780 22	2,177 60	
Other supplies for train locomotives	80,848 58	77,061 02	3,787 56	
Enginehouse expenses—train	1,081,965 37	1,483,594 62		401,629 25
Trainmen	2,509,018 55	3,314,582 55		805,564 00
Train supplies and expenses	1,032,371 95	1,183,753 98		151,382 03
Signal and interlocker operation	362,719 26	382,653 69		19,934 43
Crossing protection	451,084 40	483,678 29		32,593 89
Drawbridge operation	26,921 90	35,271 89		8,349 99
Telegraph and telephone operation	233,738 56	260,045 30		26,306 74
Stationery and printing	231,940 64	311,177 98		79,237 34
Other expenses	68,645 29	215,964 03		147,318 74
Operating joint tracks and facilities—Dr.	351,522 48	703,246 08		351,723 60
Operating joint tracks and facilities—Cr.	263,689 34	297,616 44	33,927 10	
Insurance	38,658 11	11,645 61	27,012 50	
Clearing wrecks	60,323 50	217,779 31		157,455 81
Damage to property	38,211 42	61,563 46A		23,352 04
Damage to live stock on right of way	4,312 03	4,319 98A		7 95
Loss and damage—freight	2,154,443 85	1,447,726 70A	706,717 15	
Loss and damage—baggage	6,715 19	8,874 42A		2,159 23
Injuries to persons	393,129 27	416,536 69A		23,407 42
Total	\$29,533,983 20	\$37,799,101 67A		\$8,265,118 47

* January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation
A Details adjusted for purposes of comparison

*The Michigan Central Railroad Company*DETAIL OF RAILWAY OPERATING EXPENSES (*concluded*)

MISCELLANEOUS OPERATIONS	1921	1920*	Increase	Decrease
Dining and buffet service	\$748,722 32	\$953,230 47		\$204,508 15
Hotels and restaurants	112,859 66	152,185 91		39,326 25
Grain elevators	14,186 53	36,915 40		22,728 87
Stockyards	89,262 21	149,598 31		60,336 10
Totals	<u>\$965,030 72</u>	<u>\$1,291,930 09</u>		<u>\$326,899 37</u>
GENERAL EXPENSES				
Salaries and expenses of general officers	\$147,476 79	\$156,560 50A		\$9,083 71
Salaries and expenses of clerks and attendants	911,989 71	932,038 01A		20,048 30
General office supplies and expenses	43,472 52	46,238 79A		2,766 27
Law expenses	126,827 27	131,814 47A		4,987 20
Insurance	5,021 60	624 69A	\$4,396 91	
Pensions	143,054 48	131,730 65A	11,323 83	
Stationery and printing	72,665 09	102,794 29A		30,129 20
Valuation expenses	283,599 28	232,219 52A	51,379 76	
Other expenses	37,308 37	17,995 81A	19,312 56	
General joint facilities—Dr.	7,547 09	9,991 32		2,444 23
General joint facilities—Cr.		3 36	3 36	
Total	<u>\$1,778,962 20</u>	<u>\$1,762,004 69A</u>	<u>\$16,957 51</u>	
TRANSPORTATION FOR INVESTMENT—CR.	<u>\$54,394 95</u>	<u>\$19,965 84</u>		<u>\$34,429 11</u>
Total railway operating expenses	<u>\$52,551,944 57</u>	<u>\$77,140,558 95A</u>		<u>\$24,588,614 38</u>

RATIO OF RAILWAY OPERATING EXPENSES, BY GROUPS, TO RAILWAY OPERATING REVENUES

	1921	1920*
Maintenance of way and structures	10.30	14.07A
Maintenance of equipment	16.04	26.06A
Traffic expenses	1.54	1.22A
Transportation expenses	40.51	43.06A
Miscellaneous operations	1.32	1.47
General expenses	2.44	2.01A
Transportation for investment—Cr.	.07	.02
Total	<u>72.08</u>	<u>87.87A</u>

RAILWAY TAX ACCRUALS

ON THE VALUE OF REAL AND PERSONAL PROPERTY	\$2,435,901 63
RAILROAD COMMISSIONERS' ASSESSMENTS, OHIO	2,792 84
FEDERAL GOVERNMENT INCOME TAX	2,101,359 00
FEDERAL GOVERNMENT TAX ON CAPITAL	16,243 00
CANADIAN WAR TAX	125,000 00
Total railway taxes accrued	<u>\$4,681,296 47</u>

* January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation
A Details and ratios adjusted for purposes of comparison

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*Annual Report**DEDUCTIONS FROM GROSS INCOME**Rent for leased roads*

BATTLE CREEK AND STURGIS RAILWAY		
Interest at 3% on \$421,000 first mortgage bonds		\$12,630 00
CANADA SOUTHERN RAILWAY		
Interest at 5% on \$22,500,000 consolidated mortgage bonds	\$1,125,000 00	
Interest at 4% on \$130,000 Leamington & St Clair mortgage bonds	5,200 00	
Dividend at 3% on \$15,000,000 capital stock	450,000 00	1,580,200 00
DETROIT MANUFACTURERS' RAILROAD		
Cash rental		15,150 00
DETROIT RIVER TUNNEL AND TERMINAL		
Interest at 4½% on \$18,000,000 first mortgage bonds	\$810,000 00	
Dividend at 8% on \$3,000,000 capital stock	240,000 00	1,050,000 00
JOLIET AND NORTHERN INDIANA RAILROAD		
Interest at 4% on \$1,500,000 first mortgage bonds	\$60,000 00	
Dividend at 5% on \$300,000 capital stock	15,000 00	75,000 00
NEW YORK CENTRAL RAILROAD (BENTON HARBOR EXTENSION, ETC)		
Cash rental		5,000 00
ST JOSEPH SOUTH BEND AND SOUTHERN RAILROAD		
Cash rental		20,000 00
VARIOUS COMPANIES for sidings, team and yard tracks		35,445 71
Total rent for leased roads		<u>\$2,793,425 71</u>

Interest on funded debt

Michigan Central Railroad Co first mortgage	3½%	\$630,000 00	
Grand River Valley Railroad first mortgage	4%	60,000 00	
Jackson Lansing & Saginaw Railroad first mortgage	3½%	59,354 59	
Michigan Air Line Railroad first mortgage	4%	104,000 00	
Detroit & Bay City Railroad first mortgage	5%	200,000 00	
Kalamazoo & South Haven Railroad first mortgage	5%	35,000 00	
Bay City & Battle Creek Railway first mortgage	3%	1,470 00	
Toledo Canada Southern & Detroit Railway first mortgage	4%	124,000 00	
Gold debentures of 1909	4%	305,360 00	\$1,519,184 59
Equipment trust certificates of 1907	5%	\$23,004 24	
Equipment trust certificates of 1910	4½%	70,912 88	
Equipment trust certificates of 1912	4½%	40,961 94	
Equipment trust certificates of 1913	4½%	82,643 26	
Equipment trust certificates of 1915	5%	146,250 00	
Equipment trust certificates of 1917	6%	402,000 00	
Equipment trust notes of January 15, 1920	6%	295,068 16	
Equipment trust certificates of April 15, 1920	7%	467,859 58	1,528,700 06
Serial notes, New York Central Railroad Co	6%	\$235,383 67	
Ten-year note, New York Central Railroad Co	6%	36,768 81	
Demand note, New York Central Railroad Co	6%	76,931 51	349,083 99
Total interest on funded debt			<u>\$3,396,968 64</u>

DIVIDENDS

No. 119, 2 per cent on 187,364 shares, declared June 15, 1921, payable July 29, 1921	\$374,728 00
No. 120, 4 per cent on 187,364 shares, declared December 14, 1921, payable January 28, 1922	749,456 00
Total for year, six per cent	<u>\$1,124,184 00</u>

*The Michigan Central Railroad Company***EQUIPMENT IN SERVICE**

(INCLUDING EQUIPMENT OF LEASED LINES)

	DEC. 31, 1920 Grand total	INCREASE		DECREASE		DECEMBER 31, 1921			
		Number added	Change of class	Number retired	Change of class	Grand total	Number owned	Number held under equipment trusts	Number held under other form of title
<i>Locomotives</i>									
For freight service	405	—	—	7	—	398	225	173	—
For passenger service	168	—	—	5	—	163	102	61	—
For switching service	247	4	—	2	—	249	152	97	—
Electric locomotives	10	—	—	—	—	10	10	—	—
Totals	830	4	—	14	—	820	489	331	—
<i>Freight-train cars</i>									
Box cars	23,624	1,087	—	712	7†	23,992	7,308	16,562	122
Flat cars	1,774	—	—	238	—	1,536	1,032	504	—
Stock cars	912	200	—	9	5†	1,098	351	450	297
Coal cars	7,207*	219	262	273	—	7,415*	1,644	5,771	—
Refrigerator and produce cars	385	175	—	29	—	531	34	497	—
Oil transport cars	6	—	—	—	—	6	6	—	—
Caboose cars	323	14	—	—	—	337	234	103	—
Totals	34,231	1,695	262	1,261	12	34,915	10,609	23,887	419
<i>Passenger-train cars</i>									
Coaches	224	15	—	—	—	239	133	106	—
Combination passenger cars	51	3	—	—	—	54	32	22	—
Emigrant and excursion cars	33	—	—	1	—	32	32	—	—
Other combination cars	22	—	—	—	—	22	17	5	—
Dining cars	23	—	—	—	—	23	14	9	—
Baggage and express cars	130	8	—	—	—	138	70	68	—
Postal cars	13	—	—	—	—	13	11	2	—
Other passenger-train cars	17	—	—	1	—	16	16	—	—
29.73% of 19 cars in joint service	5	—	—	—	—	5	—	—	5†
Totals	518	26	—	2	—	542	325	212	5
<i>Company service equipment</i>									
Officers' cars	7	—	—	—	—	7	7	—	—
Ballast cars	303	—	—	3	—	300	102	198	—
Derrick cars	3	—	—	—	—	3	3	—	—
Wrecking cars	8	—	—	—	—	8	8	—	—
Other company service cars	592	1	—	49	—	544	544	—	—
Totals	913	1	—	52	—	862	664	198	—

*Does not include, as of December 31, 1920, 180 wood coal cars owned nor 83 steel underframe coal cars of 1915 Trust, leased to the Indiana Harbor Belt Railroad Company, of which 262 have been returned during the year 1921; shown in column "Change of class" under the heading "Increase"

†Toronto-Buffalo Line: 15 coaches, 4 baggage and express cars

‡Cars, under lease, returned to owners

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TABLE OF TRACKS

MAIN LINE OWNED			MILES OF MAIN TRACK				Yards and sidings	Total
			First	Second	Third	Fourth		
Michigan Central Railroad	Detroit..... Mich and Ind state line	Mich	222.67	222.44	4.85	5.18	386.67	841.81
	Mich and Ind..... Ind and Ill state line	Ind	42.46	42.46	1.38	1.37	47.36	135.03
	Ind and Ill state line..... Kensington	Ill	6.52	6.52	1.32	1.23	54.09	69.68
Total main line owned			271.65	271.42	7.55	7.78	488.12	1,046.52
BRANCHES OWNED								
Air Line Branch	Jackson..... Niles	Mich	107.66	—	—	—	40.29	147.95
South Bend Branch	Niles..... Mich and Ind state line	"	5.45	—	—	—	3.67	9.12
	Mich and Ind state line..... South Bend	Ind	5.97	—	—	—	5.64	11.61
South Haven Branch	Kalamazoo..... South Haven	Mich	39.34	—	—	—	6.86	46.20
Lansing Branch	Jackson..... Bay City	"	114.37	3.03	—	—	87.81	205.21
Mackinaw Branch	Bay City..... Mackinaw City	"	182.04	1.94	—	—	160.25	344.23
Gladwin Branch	Pinconning..... Gladwin	"	27.90	—	—	—	5.52	33.42
	Mt Forest..... Bentley	"	4.69	—	—	—	—	4.69
Twin Lakes Branch	Grayling..... Lewiston	"	27.26	—	—	—	32.57	59.83
Bagley Branch	Salling Junction..... Johannesburg	"	13.78	—	—	—	36.23	50.01
North Midland Branch	Bay City W S..... Midland	"	18.18	—	—	—	9.69	27.87
East Jordan Branch	Frederic..... East Jordan	"	42.65	—	—	—	29.29	71.94
Grand Rapids Branch	Rives Jct..... Grand Rapids	"	83.82	—	—	—	22.52	106.34
Bay City Branch	Detroit..... Bay City	"	107.44	7.55	—	—	76.60	191.59
Caro Branch	Vassar..... Owendale	"	33.54	—	—	—	9.95	43.49
Saginaw Branch	Denmark Junction..... Saginaw W S	"	15.76	—	—	—	9.03	24.79
Bay City Belt Branch	At Bay City.....	"	5.81	—	—	—	3.20	9.01
Water Street Spur Branch	At Bay City.....	"	3.01	—	—	—	7.14	10.15
Detroit Belt Branch	At Detroit.....	"	6.31	3.03	—	—	29.91	39.25
Toledo Branch	Detroit..... Mich and Ohio state line	"	46.82	3.43	—	—	80.57	130.82
	Mich and Ohio state line..... C S Jct Toledo	Ohio	8.91	—	—	—	21.22	30.13
Toledo Belt Branch	At Toledo.....	"	3.49	1.50	—	—	21.82	26.81
Dearborn Branch	Toledo branch to main line.....	Mich	4.14	4.14	—	—	—	8.28
	West leg of wye at main line.....	"	.64	—	—	—	2.93	3.57
	Oakwood Junction..... Dearborn	"	4.06	—	—	—	—	4.06
Total branches owned			913.04	24.62	—	—	702.71	1,640.37
Total main line and branches owned			1,184.69	296.04	7.55	7.78	1,190.83	2,686.89
LINE JOINTLY OWNED								
St Charles Air Line	At Chicago.....	Ill	.70	.70	—	—	1.28	2.68
LEASED LINES								
Joliet & Northern Indiana R R	East Gary..... Ind and Ill state line	Ind	15.65	—	—	—	11.59	27.24
	Ind and Ill state line..... Joliet	Ill	28.20	—	—	—	28.08	56.28
	At Joliet.....	"	1.33	1.35	1.31	1.37	.76	6.12
St Joseph So Bend & Southern R R	So Bend..... Ind and Mich state line	Ind	14.23	—	—	—	2.80	17.03
	Ind and Mich state line..... St Joseph	Mich	25.08	—	—	—	6.49	31.57
New York Central Railroad	St Joseph Junction..... Benton Harbor	"	1.62	—	—	—	.84	2.46
Detroit Toledo & Milwaukee R R	Battle Creek..... Moscow	"	47.01	—	—	—	13.73	60.74
Lansing Transit Railway	At Lansing.....	"	.77	—	—	—	.91	1.68
Lansing Manufacturers Railroad	At Lansing.....	"	5.22	—	—	—	2.70	7.92
Bay City Belt Line R R (South Water Street track)	At Bay City.....	"	1.70	—	—	—	3.42	5.12
Battle Creek & Sturgis Ry	Battle Creek..... Findley	"	33.99	—	—	—	2.66	36.65
St Clair & Western Railroad	St Clair..... Richmond	"	14.89	—	—	—	.70	15.59
Canada Southern Bridge Co	Slocum Junction..... Grosse Isle	"	2.50	—	—	—	.92	3.42
Detroit Manufacturers' R R	At Detroit.....	"	1.52	—	—	—	3.13	4.65
Carried forward			193.71	1.35	1.31	1.37	78.73	276.47

The Michigan Central Railroad Company

TABLE OF TRACKS (concluded)

LEASED LINES (concluded)		State	MILES OF MAIN TRACK				Yards and sidings	Total	
			First	Second	Third	Fourth			
			<i>Brought forward</i>	193.71	1.35	1.31	1.37	78.73	276.47
Detroit River Tunnel Co	Detroit.....International Boundary	Mich	1.81	1.81	—	—	14.41	18.03	
Canada Southern Railway	International Boundary.....Windsor	Ont	1.45	1.45	—	—	.07	2.97	
	Niagara Falls.....Windsor	"	226.10	224.58	—	—	242.57	864.47	
	Bridgeburg.....Welland	"	16.86	16.86	—	—			
Niagara River Bridge Co	Branches and spurs.....	"	137.50	—	—	—	—	.18	
	Niagara Falls.....International Boundary	"	.09	.09	—	—			
	International Boundary..Suspension Bridge	N Y	.15	.15	—	—	—	.30	
Total leased lines			577.67	246.29	1.31	1.37	335.78	1,162.42	
LINES OPERATED UNDER TRACKAGE RIGHTS									
Pere Marquette Railroad	At Bay City (South Water St).....	Mich	.16	—	—	—	—	.16	
Illinois Central Railroad	Kensington.....12th St station, Chicago	Ill	14.00	14.00	—	—	—	28.00	
Grand Trunk Railway	Bridgeburg.....International Boundary	Ont	.32	—	—	—	—	.32	
	International Boundary.....Black Rock	N Y	.87	.53	—	—	—	1.40	
	At Battle Creek (Hall St).....	Mich	.20	—	—	—	—	.20	
Indiana Harbor Belt Railroad	Calumet Park.....Union Stockyards	Ill	30.02	30.02	—	—	—	60.04	
Manistee & North Eastern Ry	Grayling.....Jct of Portage Lake Branch	Mich	2.96	—	—	—	—	2.96	
London & Port Stanley Railway	St Thomas.....	Ont	14.99	—	—	—	—	14.99	
New York Central Railroad	Suspension Bridge.....Buffalo	N Y	23.80	23.80	—	—	—	47.60	
	Vinewood Ave.....Beaubien St, Detroit	Mich	—	2.88	—	—	—	2.88	
	River Rouge.....Mich and Ohio state line	"	—	43.38	—	—	—	43.38	
	Mich and Ohio state line...Toledo pass sta	Ohio	10.07	9.44	—	—	—	19.51	
	S S & S Junction.....Olivers	Ind	1.57	—	—	—	—	1.57	
Total trackage rights			98.96	124.05	—	—	—	223.01	
Total operated mileage			1,862.02	667.08	8.86	9.15	1,527.89	4,075.00	

RECAPITULATION ACCORDING TO STATES

	Owned		Jointly owned		Leased		Otherwise operated		Total	
	1st track miles	All tracks miles	1st track miles	All tracks miles	1st track miles	All tracks miles	1st track miles	All tracks miles	1st track miles	All tracks miles
Michigan	1,117.34	2,413.63	-	-	136.11	187.83	3.32	49.58	1,256.77	2,651.04
Illinois	6.52	69.68	.70	2.68	29.53	62.40	44.02	88.04	80.77	222.80
Indiana	48.43	146.64	-	-	29.88	44.27	1.57	1.57	79.88	192.48
Ohio	12.40	56.94	-	-	-	-	10.07	19.51	22.47	76.45
New York	-	-	-	-	.15	.30	24.67	49.00	24.82	49.30
Province of Ontario	-	-	-	-	382.00	867.62	15.31	15.31	397.31	882.93
Totals	1,184.69	2,686.89	.70	2.68	577.67	1,162.42	98.96	223.01	1,862.02	4,075.00

MILES OPERATED IN

Passenger service only	-	-	-	35.44	35.44
Freight service only	36.91	.70	15.36	46.65	99.62

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MILEAGE STATISTICS

TRAIN MILEAGE

REVENUE SERVICE	1921	1920*	Increase	Decrease
Freight train-miles	4,991,271	5,949,909		958,638
Passenger train-miles	6,032,843	6,423,062		390,219
Other passenger train-miles	847,464	966,036		118,572
Mixed train-miles	418,152	390,771	27,381	
Special train-miles	3,707	3,080	627	
Total revenue train mileage	12,293,437	13,732,858		1,439,421
Non-revenue train-miles	152,911	360,346		207,435
Total train mileage	12,446,348	14,093,204		1,646,856

LOCOMOTIVE MILEAGE

REVENUE SERVICE	1921	1920*	Increase	Decrease
Freight locomotive-miles	5,322,312	6,530,729		1,208,417
Passenger locomotive-miles	7,238,397	7,709,942		471,545
Mixed locomotive-miles	421,769	393,750	28,019	
Special locomotive-miles	3,874	3,210	664	
Train switching locomotive-miles	492,670	640,660		147,990
Yard switching locomotive-miles	4,485,527	6,942,397		2,456,870
Total revenue locomotive mileage	17,964,549	22,220,688		4,256,139
Non-revenue locomotive-miles	309,246	600,364		291,118
Total locomotive mileage	18,273,795	22,821,052		4,547,257

CAR MILEAGE

REVENUE SERVICE	1921	1920*	Increase	Decrease
Freight-train car-miles				
Freight cars—loaded	152,545,627	197,068,104		44,522,477
Freight cars—empty	90,802,224	73,787,336	17,014,888	
Caboose cars	5,079,860	6,041,399		961,539
Total freight-train car-miles	248,427,711	276,896,839		28,469,128
Passenger-train car-miles				
Passenger cars	15,309,660	17,103,279		1,793,619
Sleeping, parlor and observation cars	20,150,682	21,722,895		1,572,213
Dining cars	2,782,478	3,442,556		660,078
Other passenger-train cars	22,761,706	24,069,349		1,307,643
Total passenger-train car-miles	61,004,526	66,338,079		5,333,553
Mixed-train car-miles				
Freight cars—loaded	3,150,092	2,308,130	841,962	
Freight cars—empty	920,401	828,611	91,790	
Caboose cars	14,121	18,448		4,327
Passenger cars	654,200	657,789		3,589
Sleeping, parlor and observation cars	453	126	327	
Other passenger-train cars	369,311	326,662	42,649	
Total mixed-train car-miles	5,108,578	4,139,766	968,812	
Special-train car-miles				
Freight cars—loaded	53,443	45,122	8,321	
Freight cars—empty	155		155	
Caboose cars	3,707	3,080	627	
Total special-train car-miles	57,305	48,202	9,103	
Total revenue car mileage	314,598,120	347,422,886		32,824,766
Non-revenue car-miles	789,089	1,907,133		1,118,044
Total car mileage	315,387,209	349,330,019		33,942,810

*January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation

The Michigan Central Railroad Company

TRAFFIC STATISTICS

FREIGHT	1921	1920*	Increase	Decrease
Tons of revenue freight carried	20,471,263	30,203,776		9,732,513
Tons of company freight carried	2,449,184	2,517,199		68,015
Total tons of freight carried	22,920,447	32,720,975		9,800,528
Tons of revenue freight carried one mile	3,127,686,246	4,824,739,972		1,697,053,726
Tons of company freight carried one mile	164,928,903	177,529,168		12,600,265
Total tons of freight carried one mile	3,292,615,149	5,002,269,140		1,709,653,991
Miles of road operated in freight service	1,826.58	1,829.38		2.80
Tons of revenue freight carried one mile per mile of road	1,712,318	2,637,363		925,045
Tons all freight carried one mile per mile of road	1,802,612	2,734,407		931,795
Average distance haul of one ton of revenue freight	miles 153	miles 160		miles 7
Average distance haul of one ton of all freight	miles 144	miles 153		miles 9
Average number of tons of revenue freight per train mile	578	761		183
Average number of tons of all freight per train mile	609	789		180
Average number of tons of revenue freight per loaded car mile	20.09	24.20		4.11
Average number of tons of all freight per loaded car mile	21.15	25.09		3.94
Average number of freight cars per train mile	45.74	43.21	2.53	
Average number of loaded cars per train mile	28.78	31.44		2.66
Average number of empty cars per train mile	16.96	11.77	5.19	
Total freight revenue	\$45,728,134.99	\$55,215,123.37		\$9,486,988.38
Average amount received for each ton of freight	\$2.23	\$1.83	\$0.40	
Average revenue per ton per mile	cents 1.462	cents 1.444	cents 0.318	
Average revenue per mile of road	\$25,034.84	\$30,182.42		\$5,147.58
Average revenue per train mile	\$8.45	\$8.71		\$0.26
PASSENGER				
Number of interline passengers carried	1,590,651	2,045,138		454,487
Number of local passengers carried	3,309,910	4,534,572		1,224,662
Number of commutation passengers carried	333,836	355,275		21,439
Total number of revenue passengers carried	5,234,397	6,934,985		1,700,588
Total number of revenue passengers carried one mile	554,273,787	741,012,755		186,738,968
Miles of road operated in passenger service	1,762.40	1,764.10		1.70
Number of revenue passengers carried one mile per mile of road	314,499	420,051		105,552
Average distance each revenue passenger carried	miles 105.89	miles 106.85		miles .96
Average number of passengers per train mile	86	109		23
Average number of passengers per car mile	15	19		4
Average number of passenger cars per passenger train mile	9	9		
Total passenger revenue	\$20,016,387.06	\$23,557,853.20		\$3,541,466.14
Average amount received from each passenger	\$3.82	\$3.40	\$0.42	
Average revenue per passenger per mile	cents 3.611	cents 3.179	cents .432	
Total passenger service train revenue	\$24,057,000.96	\$28,845,320.86		\$4,788,319.90
Average passenger service train revenue per mile of road	\$13,650.14	\$16,351.30		\$2,701.16
Average passenger service train revenue per train mile	\$3.30	\$3.71		\$0.41
TOTAL TRAFFIC				
Operating revenues	\$72,911,852.36	\$87,790,799.19		\$14,878,946.83
Operating expenses	52,551,944.57	77,140,558.95A		24,588,614.38
Net operating revenue	\$20,359,907.79	\$10,650,240.24A	\$9,709,667.55	
Average mileage of road operated	1,862.02	1,865.89		3.87
Operating revenues per mile of road	\$39,157.39	\$47,050.36		\$7,892.97
Operating expenses per mile of road	28,223.08	41,342.50		13,119.42
Net operating revenue per mile of road	\$10,934.31	\$5,707.86	\$5,226.45	

* January-February: Federal control March-August: "Guaranty period" September-December: Corporate operation
A Details adjusted for purposes of comparison

Annual Report

TRAFFIC STATISTICS (continued)

DESCRIPTION OF REVENUE FREIGHT MOVED

NUMBER OF CARLOADS				COMMODITY		NUMBER OF TONS (2,000 pounds)		
Decrease	Increase	1920*	1921	PRODUCTS OF AGRICULTURE	1921	1920*	Increase	Decrease
2,076		7,417	5,341	Wheat	205,519	289,409		83,890
	51	6,266	6,317	Corn	236,728	232,707	4,021	
435		6,336	5,901	Oats	180,769	208,146		27,377
1,749		5,006	3,257	Other grain	119,719	187,496		67,777
	4,093	9,887	13,980	Flour and meal	435,516	332,310	103,206	
276		17,200	16,924	Other mill products	337,599	373,057		35,458
1,633		7,463	5,830	Hay, straw and alfalfa	71,806	92,785		20,979
116		799	683	Tobacco	8,547	10,159		1,612
	4	1,479	1,483	Cotton	18,563	22,416		3,853
	225	96	321	Cotton seed and products, except oil	7,676	2,590	5,086	
	786	2,874	3,660	Citrus fruits	61,516	49,523	11,993	
4,848		17,993	13,145	Other fresh fruits	172,505	242,612		70,107
	915	4,585	5,500	Potatoes	102,127	89,778	12,349	
	40	4,304	4,344	Other fresh vegetables	56,915	58,398		1,483
	509	2,948	3,457	Dried fruits and vegetables	75,491	76,910		1,419
2,295		16,181	13,886	Other products of agriculture	396,324	437,262		40,938
6,805		110,834	104,029	Total	2,487,320	2,705,558		218,238
ANIMALS AND PRODUCTS								
312		711	399	Horses and mules	4,476	8,236		3,760
2,710		9,924	7,214	Cattle and calves	82,981	113,857		30,876
	384	3,083	3,467	Sheep and goats	34,065	27,677	6,388	
200		10,650	10,450	Hogs	111,464	108,181	3,283	
	1,578	18,192	19,770	Fresh meats	234,363	225,655	8,708	
3,625		14,550	10,925	Other packing-house products	188,710	262,099		73,389
345		1,531	1,186	Poultry	14,165	18,272		4,107
	528	2,640	3,168	Eggs	34,953	29,560	5,393	
195		4,074	3,879	Butter and cheese	44,952	47,224		2,272
	622	776	1,398	Wool	17,288	9,044	8,244	
375		1,950	1,575	Hides and leather	33,746	39,759		6,013
480		2,388	1,908	Other animals and products	34,845	41,551		6,706
5,130		70,469	65,339	Total	836,008	931,115		95,107
PRODUCTS OF MINES								
	4,122	28,926	33,048	Anthracite coal	1,409,000	1,352,354	56,646	
74,502		181,331	106,829	Bituminous coal	4,710,600	8,174,625		3,464,025
8,458		15,278	6,820	Coke	162,043	437,730		275,687
320		369	49	Iron ore	1,875	18,260		16,385
1,715		2,320	605	Other ores and concentrates	23,852	93,735		69,883
540		575	35	Base bullion and matte	1,397	23,521		22,124
	5,336	56,267	61,603	Clay, gravel, sand and stone	2,912,761	2,612,128	300,633	
161		253	92	Crude petroleum	2,405	6,588		4,183
301		1,657	1,356	Asphaltum	42,848	52,378		9,530
	735	6,450	7,185	Salt	185,565	198,853		13,288
782		1,474	692	Other products of mines	24,294	48,898		24,604
76,586		294,900	218,314	Total	9,476,640	13,019,070		3,542,430

*January-February: Federal control March-August: "Guaranty period" September-December: Corporate operation

*The Michigan Central Railroad Company*TRAFFIC STATISTICS (*concluded*)DESCRIPTION OF REVENUE FREIGHT MOVED (*concluded*)

NUMBER OF CARLOADS				COMMODITY	NUMBER OF TONS (2,000 pounds)			
Decrease	Increase	1920*	1921		1921	1920*	Increase	Decrease
				PRODUCTS OF FORESTS				
10,407		26,407	16,000	Logs, posts, poles and cord wood	359,928	566,521		206,593
322		1,587	1,265	Ties	37,500	44,932		7,432
	2,380	898	3,278	Pulp wood	100,384	25,944	74,440	
24,551		58,794	34,243	Lumber, timber, box shooks, staves and headings	893,143	1,618,440		725,297
2,161		4,655	2,494	Other products of forests	54,295	96,171		41,876
35,061		92,341	57,280	Total	1,445,250	2,352,008		906,758
				MANUFACTURES AND MISCELLANEOUS				
4,739		24,863	20,124	Refined petroleum and its products	551,944	661,487		109,543
290		800	510	Vegetable oils	11,517	22,902		11,385
	45	6,174	6,219	Sugar, syrup, glucose and molasses	172,675	185,767		13,092
16		56	40	Boats and vessel supplies	302	841		539
6,478		8,957	2,479	Iron, pig and bloom	119,151	412,236		293,085
1,315		1,936	621	Rails and fastenings	26,635	83,520		56,885
26,140		41,439	15,299	Bar and sheet iron, structural iron and iron pipe	476,369	1,484,439		1,008,070
3,620		5,477	1,857	Other metals, pig, bar and sheet	51,668	193,531		141,863
21,562		30,818	9,256	Castings, machinery and boilers	181,404	746,254		564,850
	1,340	9,726	11,066	Cement	408,754	360,680	48,074	
3,120		9,975	6,855	Brick and artificial stone	241,144	378,290		137,146
398		3,363	2,965	Lime and plaster	80,515	106,383		25,868
1,177		3,489	2,312	Sewer pipe and drain tile	44,240	82,165		37,925
8,212		12,175	3,963	Agricultural implements and vehicles, other than automobiles	63,266	170,914		107,648
35,036		98,062	63,026	Automobiles and autotrucks	461,415	748,013		286,598
1,464		3,145	1,681	Household goods and second-hand furniture	12,227	23,174		10,947
1,491		4,693	3,202	Furniture (new)	25,039	36,462		11,423
35		1,200	1,165	Beverages	22,198	25,437		3,239
	1,382	1,971	3,353	Ice	106,877	62,910	43,967	
	27	2,876	2,903	Fertilizers (all kinds)	72,330	76,093		3,763
6,281		14,436	8,155	Paper, printed matter and books	192,887	320,139		127,252
12,989		27,797	14,808	Chemicals and explosives	467,367	949,070		481,703
215		1,497	1,282	Textiles	21,263	21,305		42
1,828		5,619	3,791	Canned goods (all canned food products)	86,288	134,475		48,187
66,273		142,811	76,538	Other manufactures and miscellaneous	1,520,922	2,998,920		1,477,998
199,885		463,355	263,470	Total	5,418,397	10,285,407		4,867,010
323,467		1,031,899	708,432	GRAND TOTAL CARLOAD TRAFFIC	19,663,615	29,293,158		9,629,543
				Merchandise—All L C L freight	807,648	910,618		102,970
				GRAND TOTAL TRAFFIC	20,471,263	30,203,776		9,732,513

*January–February: Federal control March–August: "Guaranty period" September–December: Corporate operation

The Michigan Central Railroad Company

JACKSON LANSING & SAGINAW RAILROAD LAND GRANT FUND

OF

THE MICHIGAN CENTRAL RAILROAD COMPANY

DETROIT, MICHIGAN, January 21, 1922

ALFRED H. SMITH, President

The Michigan Central Railroad Company

NEW YORK

DEAR SIR:

I respectfully submit herewith annual statement of the business of the Land Department of this company for the year ending December 31, 1921.

LAND AND SALES ACCOUNT

	Acres		Amount
Unsold January 1, 1921, according to patents	9,846.27	Lands sold during the year	\$511.00
Sold during the year	117.00	Total amount due on contracts at close of year	465.00
Unsold at the close of the year	<u>9,729.27</u>		

The sales for the last five years were as follows:

	1917	1918	1919	1920	1921
Acres sold	1,432.54	1,776.97	120.00	1,996.67	117.00
Land sales	\$5,785.00	\$5,117.06	\$370.00	\$4,282.14	\$511.00
Average per acre	\$4.04	\$2.88	\$3.08	\$2.14	\$4.37

CASH ACCOUNT

RECEIPTS		DISBURSEMENTS	
Cash on hand January 1, 1921	\$1,523.32	For taxes	\$2,027.46
From payments on land contracts and sales	981.00	For expenses	53.00
From interest	86.34	Cash on hand December 31, 1921	510.20
Total	<u>\$2,590.66</u>	Total	<u>\$2,590.66</u>

WILLIAM HUTCHINSON

Commissioner

LAND GRANT FUND

MESSRS. LEDYARD, ROBSON AND BLAIR, *Trustees*

Balance on hand at end of 1920, as shown by report for that year	\$3,360.10
Interest on deposits	43.20
	<u>\$3,403.30</u>
Bonds purchased and cancelled during the year 1921 (\$4,000 less discount \$1,155)	2,845.00
Cash on hand December 31, 1921	<u>\$558.30</u>